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November 6, 1981

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TO COUNTY ASSESSORS:

## CHANGES IN CANCELLATION PROCEDURES FOR CALIFORNIA LAND CONSERVATION ACT CONTRACTS AS PROVIDED BY ASSEMBLY BILL 2074

Assembly Bill 2074, (Chapter 1095, Statutes of 1981) which was signed into law September 30, 1981, modifies Article 5 of Chapter 7 of the Government Code. This article deals with the cancellation of contracts made under the California Land Conservation Act of 1965 (Williamson Act). Specifically, this bill amends, adds and repeals various of the sections numbered 51280 through 51286. The major changes this bill effects in contract cancellation procedures are twofold:

- 1. it provides a one-time "window" permitting the cancellation of land use contracts, and
- 2. it imposes stringent conditions for cancellation of contracts after the expiration of the 150-day "window" period.

By adding Section 51282.1 to the Government Code, this bill provides a one-time opportunity for landowners to petition their city or county to cancel their land use contract. A petition must be filed within 150 days of the effective date of this section, which is January 1, 1982. Section 51282.1 will be repealed as of January 1, 1983, unless a later enacted statute extends the date; however, the provisions of this section will continue for cancellation proceedings initiated in proper compliance with the terms of this section. A tentative approval of a petition is valid for one year from the date of its recordation. The conditions necessary for the tentative approval of a contract cancellation are as follows:

- the cancellation and proposed alternative use will not result in "discontiguous patterns of urban development," and
- 2. the proposed alternative use must be consistent with the general development plan of the city or county on October 1, 1981 as it existed then or as it was amended after that date as a result of proceedings initiated prior to January 1, 1982.

Under the cancellation procedures previously in effect, there was a provision in subdivision (c) of Section 51283 for the waiver of the statutory cancellation fee. Under the Section 51282.1 "window," however, no waiver of cancellation fees is allowed. For cancellations approved under this one-time section, the fee must be paid.

In the amended version of Section 51282, there are set forth stringent conditions for the cancellation of a land use contract. This section is an alternative to Section 51282.1, and replaces it after the expiration date of the latter. Cancellation may be approved only under the following circumstances:

- 1. cancellation would be consistent with the purposes of this chaptered legislation (as outlined in five specific elements), or
- 2. cancellation would be in the public interest.

It is notable that this bill preserves, in the aforementioned Government Code Sections, the idea that "the uneconomic character of an existing agricultural use shall not by itself be sufficient reason for cancellation of the contract."

We are enclosing a copy of Assembly Bill 2074 for your perusal. Please direct your questions regarding it to Pete Gaffney of this division at (916) 445-4982.

Sincerely,

Verne Walton, Chief

Assessment Standards Division

VW:sm Enclosure